

ITEM 465.10.	Item Details(\$)		Appropriations(\$)	
	First Year FY2011	Second Year FY2012	First Year FY2011	Second Year FY2012

Central Appropriations (995)

465.10.	<i>Financial Assistance for Higher Education Innovation and Performance (11800).....</i>			\$0	\$50,000,000
	<i>Financial Assistance for Higher Education Innovation and Performance (11801).....</i>	\$0	\$50,000,000		
	<i>Fund Sources: General.....</i>	\$0	\$50,000,000		

Authority: Discretionary Inclusion.

A. Consistent with the Governor's goals of achieving 100,000 additional degrees over fifteen years, increasing access to higher education, and reducing the growth rate of tuition, this Item includes \$50,000,000 the second year from the general fund in incentive funding intended to support activities in public higher education institutions leading to increases in student graduation, student retention, student enrollment, and the number of students graduating with science, technology, engineering, math (STEM) and health care degrees. Within the \$50,000,000, funding of \$13,000,000 is provided for undergraduate financial aid, \$1,000,000 for academic transformation through the use of technology, \$3,000,000 to enhance availability of on-line courses, and \$33,000,000 dedicated to specific proposals to enhance student enrollment, retention, and graduation, with a focus on growing the number of students majoring in STEM and health care, as well as appropriately strengthening the base operations of the higher education institutions.

B. Each public institution of higher education shall provide proposals to the Secretary of Education for potential use of this funding. The secretary shall evaluate these proposals, with consultation from staff of the State Council of Higher Education for Virginia, House Appropriations Committee, Senate Finance Committee, and the Department of Planning and Budget, and determine the appropriate distribution of the funding. The criteria to award funding shall be consistent with the recommendations of the Governor's Commission on Higher Education Reform, Innovation and Investment and legislation resulting from the commission's recommendations. Performance and reporting expectations will be required for each proposal awarded funding.

C. Each institution should include in its proposal productivity, innovation, and savings strategies it intends to implement to streamline operations and reduce operating costs in low priority areas, and how these resources might be reprogrammed for the targeted objectives of increasing higher education access, increasing the number of degrees awarded, and reducing the level of tuition increases. Such strategies cannot include a corresponding increase in tuition and fees or reductions in financial aid.